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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/076,903	02/14/2002	Thomas E. Coleman	1438.001US2	1907

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EXAMINER

GARG, YOGESH C

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 02/16/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/076,903

Applicant(s)

COLEMAN, THOMAS E.

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 24 October 2002.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-34 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-34 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Response to Preliminary Amendment

1. Applicant's Preliminary amendment received on 10/24/2002 is acknowledged and entered. The applicant has amended claims 1, 5 and 12 and added new claims 16-34. Currently claims 1-34 are pending for examination.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims (Process) 1-2, 21-34 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

2.1. Claimed Invention(s) does not fall within the Technological Art.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the

term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, ***State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).**

In the present application, process claims 1-2 and 21-34 do not recite the use of "the technological arts". None of the steps indicate use of a computer or technology. The steps of assembling profiles, developing and applying selection criteria to identify messages, presenting to a display unit [such as a hoarding sign]could be performed manually by people. Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as incorporating/integrating a computer/software/hardware computer network or electronic network functionally with manipulative steps recited in the claims and supported by the application's disclosure.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-10, 12-16, 18-34 are rejected under 35 U.S.C. 102(e) as being anticipated by Herz (US Patent 6,460,036 B1).

Regarding claims 1-4, Herz discloses a method for delivery of targeted commercial messages (see at least Abstract), comprising: assembling a plurality of potential purchaser profiles for presentation to at least one potential advertiser of goods or services applicable to a substantial portion of the plurality of potential purchasers (col.37, line 59-col.38, line 6, " The

structure of the user's database entry consists of a user profile as detailed herein, a target profile interest summary as detailed herein, ... At any time after database entry for Pseudonym P is established, the user U may provide proxy server S2 with credentials on that pseudonym, provided by third parties, which credentials make certain assertions about that pseudonym. The proxy server may verify those credentials and make appropriate modifications to the user's profile as required by these credentials such as recording the user's new demographic status as an adult. It may also store those credentials, so that it can present them to service providers on the user's behalf. ..."; developing commercial message selection criteria for selecting from the potential purchasers those suited to receive a specified commercial message contained in a set of commercial messages; applying the commercial message selection criteria to the purchaser profiles to identify the potential purchasers suited to receive specified commercial messages; and presenting to a purchaser display unit of a potential purchaser identified as suited, the specified commercial messages, wherein the specified commercial message prompts interactive input at the purchaser display unit, and the method further comprises receiving from the purchaser display unit interactive input signals, wherein the act of displaying comprises selecting at the purchaser display unit the specified commercial message from a set of commercial messages. (see at least col.40, lines 16-59, which teaches developing a selection criteria by associating a target object with the weighted advertisements leading to present a selected advertisement(s)/specified commercial message(s) from a set of such advertisements and messages to the user in which he is most likely interested and then the user using his client processor C3 can interact in response to receiving the targeted advertisement). Herz also discloses that the act of displaying comprises selecting at a broadcast facility the specified commercial message from a set of commercial messages and communicating that specified commercial message to the purchaser display unit (see at least col.40, lines 16-59 which

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disclose that a server selects the messages to be presented and displayed to the user and this server corresponds to the claimed broadcasting facility). Also, please refer to following relevant excerpts: col.55, line 43-col.65, line 6 and See also, col.46, line 37-col.47, line 54.

Regarding claim 5, its limitations are closely parallel to the limitations of claim 1 and is therefore analyzed and rejected on the same basis.

Regarding claims 6-10, Herz teaches implementing act of presenting via e-mail (see at least col.62, line 64-col.63, line 19, "E-Mail Filter.....") and compensating the potential purchaser for receiving, viewing and interacting with specified commercial messages (see at least col.40, lines 50-55, "..... In return, the advertiser may transmit an electronic payment to proxy server S2; proxy server S2 retains a service fee for itself, optionally forwards a service fee to information server S4, and the balance is forwarded to the user or used to credit the user's account on the proxy server. ". Note: This compensation is provided to the user for receiving, viewing and interacting to the targeted advertisement sent to him. See also, col.46, line 37-col.47, line 54.).

Regarding claims 12-16, 21-22, 24-25, 28-29 and 32-33, their limitations are closely parallel to the limitations of claims 1-10 and are therefore analyzed and rejected on the same basis.

Regarding claims 18-19, 23, 26, 30 and 34 Herz teaches that the verified information includes self-verified information that is compared to the purchaser-supplied information and that the self-verified information includes behavioral information (see at least col.17, line 29-

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col.18, line 27 which suggests refining the purchaser supplied information with the feedback received from the purchaser's behavior displayed in his interactions with the specified messages presented to him.

Regarding claims 20, 27 and 31, Herz teaches presenting specified commercial messages over the data network as analyzed in claims 1, 24 and 28 above. Herz also discloses presenting content with the said messages (see at least col.40, lines 16-50 which teaches presenting advertisements [specified commercial messages along with targeted objects [corresponds to content].

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4.1. Claim 11 is rejected under 35 U.S.C. 103(a) as being unpatentable over Herz in view of Goldhaber et al. (US Patent 5,794,210), hereinafter, referred to Goldhaber.

With regards to claim 11, Herz teaches the limitations recited in claim 7 as analyzed above including compensating a purchaser for interacting with the specified commercial message. Herz does not suggest that compensating the potential purchaser is based on a level of profile information provided by the potential purchaser. However, Goldhaber teaches this limitation, see col.17, lines 12-63. Goldhaber teaches that depending upon the type of interaction the purchaser has with the message the compensation is provided, that is if it is good then he is allowed the compensation and if bad then the compensation button is inactivated. Thus Goldhaber, based upon the tracked profile/behavior, decides the

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compensation to be given or not to the purchaser. In view of Goldhaber, in the field of same endeavor, it would have been obvious to a skilled artisan to modify Herz to incorporate Goldhaber's feature of compensating the potential purchaser based on a level of profile information provided by the potential purchaser because it would allow the advertiser to control his expenses and to ensure payment to only those purchasers who show adequate interest and spend time in perusing the advertisements/messages.

4.2.. Claim 17 is rejected under 35 U.S.C. 103(a) as being unpatentable over Herz in view of Eldering et al. (US Patent 6,684,194), hereinafter, referred to Eldering.

With regards to claim 17, Herz teaches the limitations recited in claim 16 as analyzed above including that the verified information includes third party verified information which is compared to the purchaser-supplied information. Herz does not explicitly suggest that the third party information includes information from a database controlled by a third party. However, Eldering teaches this limitation, see col.5, lines 41-44, which teaches obtaining user's profile from a database controlled by a third party, such as a retailer or data collector. In view of Eldering, in the field of same endeavor, it would have been obvious to a skilled artisan to modify Herz to incorporate Eldering's feature that the third party information includes information from a database controlled by a third party because it would allow the advertiser/system to update the user's profile based upon his behavior while interacting with the third party website, such as retailer's and use the feedback to refine the targeted content to be displayed to the user.

Conclusion

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

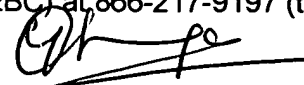
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(i) US Patent 6,119,098 to Guyot et al. (see at least abstract), US Patent 6,594,638 to Feldman et al. (see at least abstract), US Patent 6,134,532 to Lazarus et al. (see at least abstract), US Patent 5,974,396 to Anderson et al. (see at least abstract), US Patent 6,546,488 to Dillon et al. (see at least abstract), US Patent 6,411,992 to Srinivasan et al. (see at least abstract) and US Patent 7,721,748 to Knight et al. (see at least abstract) disclose gathering user's profiles and then targeting messages/advertisements/contents to the users based upon their profiles or tracked behaviors.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F(8:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Yogesh C Garg
Primary Examiner
Art Unit 3625

YCG
February 11, 2005